

LOCAL I-S NEWS

for department store workers

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AUGUST, 1957

UNION CHALLENGES MACY'S FACTS IN TWO ARBITRATIONS

Lost Earnings Fight Awaits Finding Arbiter

Local I-S and Macy's have still not been able to agree on an arbitrator to hear the Union's protest against the loss of earnings suffered as a result of the company's operating method in commission and salary plus commission departments.

The workers' complaints—and the Union's action—grew out of the fact that Macy's insists that sales clerks not only sell the merchandise, but pack it, as well.

This, the Union charges, takes away from the amount of selling time, and therefore reduces the earnings of those who are paid either a salary plus commission or a straight commission.

The work had formerly been done by Packer-Cashiers who have since been transferred to other areas where they fill vacancies left by co-workers who have either been transferred or have left the store.

This Macy policy of allowing workers to leave the store without replacing them is part and parcel of the policy of piling added duties onto those who remain. At the same time—and in an effort to prevent straight salary workers from neglecting selling duties when busy with other assignments—the company is doing its best to start a stampede for higher volume.

This drive for volume was regarded as one of the basic issues involved in the arbitration of Charles Farley's demotion from the Furniture Department to the Radio Department, which is reported elsewhere on this page.

Resistance to Macy's attacks on hard-won standards and conditions is the order of the day as both the Union and the members challenge the company's actions in every way open to them.

WAGE INCREASE NOW IN EFFECT

The eagerly awaited general wage increase of seven-and-a-half cents an hour went into effect on the Monday closest to August 1st.

The raise, part of the strike settlement package won in 1956 applies to all full-time, part-time, fractional and Saturday-only workers eligible for Union membership.



Charles Farley (Left) along with President Sam Kovenetsky, attorney Asher Schwartz, Vice President Bill Atkinson and a team of Furniture Department witnesses meet with arbitrator George Ostrow.

Union Presents Facts in Fight On Downgrading

The Union's fight against Macy's demotion of Charles Farley for "unsatisfactory sales performance" was aired before arbitrator George Ostrow on July 2nd.

It is the Union's contention that Farley was demoted from his job in the Furniture Department, where he had worked for 15 of his 29 years in the store, "without just cause." Arbitrator Ostrow was asked to order his re-instatement.

Despite the fact that over the period of the last three-and-a-half years Charles Farley had improved his volume and earnings by 31 percent, Macy's told the arbitrator that "Proper discipline should have been discharge, but that the discipline was mitigated to meet the offender rather than the deed."

Macy's attributed their "generosity" to Farley's long years of company service, rather than to any hesitation about their right to wield the axe. In so doing, however, they disregarded a previous arbitration award which ordered the re-instatement of a worker discharged for low volume.

Charles Farley, Ninth Floor Executive Board member Neal Kuypers, Shop Steward Matthew Rosenthal and Local I-S Administrator Charles Boyd were Union witnesses. President Sam Kovenetsky and Vice President Bill Atkinson were present to assist attorney Asher Schwartz in the presentation of the case. Vice President Phil Hoffstein, who helped prepare the case, could not attend the hearing. Witnesses for Macy's were Ninth Floor Superintendent Frank Quigley and Merchandise Administrator Otto Overby.

Neither of the company's witnesses were willing or able to say that their characterization of Farley as a poor salesman was based on personal observation. They acknowledged, under vigorous cross-examination, that this estimate was based solely on sales volume figures.

Witnesses for Farley contended that the reason for his relatively low volume was the high degree of service he gave to all customers, and that he did not make it a practice to speedily drop those not interested in large purchases.

(Continued on page 2)

Benefit Payments Near \$3 Million As Health Plan Finishes Eighth Year

Four-and-a-half year old Dickie Feliccia, son of Parkchester's Executive Board member Andy Feliccia, had the distinction of getting the last check paid out by the Health Plan for medical, surgical or laboratory care during the Plan's eighth year of serving members of Local I-S and their families.

As the Plan rounded out eight full years of service to all members of Local I-S, their husbands or wives and children under 19 years of age, its record of payments added up to the impressive total of \$2,658,021.

Dickie got his the "easy way" of a routine tonsillectomy. His dad said, "I couldn't begin to count the number of times the Health Plan has come to our rescue. But it has been wonderful every time we've needed it—and just knowing it's there."

Thousands of other members, many whose care was far from "routine," have joined in praise of the Health Plan's benefits and the Union's services.

Some have written, saying that for them the services of the Health Plan made the difference "between life and death." Others

have said it made the difference "between being deep in debt or still having a couple of dollars." And still others have simply thanked the Union and the Health Plan for being "a wonderful help in time of need."

1956-'57 Benefits

During the last twelve months the Health Plan has paid the following bills to 6,551 claimants:

Hospital \$242,323

(Continued on page 3)

Hope Dies for Better Minimum Wage Law From This Session of Congress

Hope for passage of legislation broadening minimum wage coverage was fading rapidly in early July. By mid-July hope was practically abandoned.

A bill, introduced by Senator Kennedy (Mass.), would have extended the \$1 an hour minimum wage to an additional 4,000,000 to 6,000,000 workers throughout the country.

Some Senators have tried to pass the buck for Congressional failure to act. They have claimed that the Unions were not sufficiently active in support of the legislation.

However true that may be, the fact remains that the Democrats on Labor and Public Welfare Com-

mittee have chalked up an irresponsible record of attendance, with those regarded as most closely aligned with labor having been absent the most.

An Administration bill, which would extend coverage to about 2,500,000 more workers, contains no overtime provisions.

Senator Kennedy's bill would make overtime pay mandatory for retail workers after forty-four hours a week the first year, forty-two hours the second year and after forty hours thereafter.

Bills that die with this session of Congress do not have to be re-introduced when Congress reconvenes in the Fall.

Worth Talking About



By President Sam Kovenetsky

IT IS NOW EIGHT FULL YEARS SINCE WE first started publishing our own Local 1-S News, and I want to take this occasion to make a few observations about it and its readers.

As Local 1-S is your Union, the paper belongs to you, too. I know that conscientious efforts have been made, through its pages, to keep you fully informed.

Every member who is a careful reader of the Local 1-S NEWS can truthfully say that he is completely aware of every significant development in the Union. The thorough reader can also say, with truth, that he is familiar with the most important political and economic events that affects him as a worker and as a citizen.

BUT HOW MANY THOROUGH READERS DOES our paper have? How many members have come to us complaining bitterly because they missed out on a chance to send their children to camp—because they didn't read the paper carefully! How many missed out on polio shots—because they "didn't know". How many "didn't know" about other more vital areas of Union protection—even though they were all faithfully reported in our Union's paper.

We can all be proud that our Local 1-S NEWS is highly regarded by those who recognize a good paper when they see one. But our aim in publishing the paper is not to please outsiders. It is for the guidance and information of our members, because we firmly believe that only well-informed people can be fully alert to the opportunities and responsibilities of membership in a democratic union.

THERE IS NO OTHER PAPER, ANYWHERE, that so fully and faithfully represents your needs. The large daily newspapers of our city certainly cannot claim to be concerned with your welfare—nor can they claim to publish without bias the news that affects you.

It is the fact that ours is a trade union paper that sets it apart. It speaks the truth as we see it. It reports the facts as they are—and interprets them from the point of view that is vitally concerned with advancing the best interests of men and women who work.

I would only wish, as the Local 1-S NEWS begins its ninth year of publication, that more people would become its regular and thorough readers and contributors. As good as our Local 1-S NEWS is, I know that that would make it better.

A RE-STATEMENT OF POLICY ON OUR NINTH ANNIVERSARY

The workers of this country, including our 8,000 members of Local 1-S, have received no relief from oppressive anti-labor legislation and they are burdened with the growing threat of economic disaster. They need be armed well to win relief, avert disaster and to protect not only their jobs, but their economic and political freedom.

Union members need and deserve a paper which brings to them the news, specific facts and general information which most directly concerns them in their jobs, their union and the world in which they live. They need a paper to serve their ends, reflect their thinking and respect their wishes. To meet this need the Executive Board has brought this paper into being subject to your continuing approval.

As our Union has been dedicated to the continuing fight for the attainment of true democracy, so too is this newspaper dedicated.

As our Union has been a remorseless fighter against discrimination in its many forms, so too will this paper fight.

As our Union has opened its meeting floors to full and free discussion of the issues, so too will this paper open its pages.

As our Union has struggled for the economic well-being and security of its members, so too will this paper struggle for those ends.

It is our profound conviction that only when the people know the facts are they fully capable of making correct decisions and of carrying out a correct program of action. We believe that ill-informed or misinformed people present the gravest of all threats to our democratic principles and to a democratic system of government.

Our policy will be guided solely by determining whether or not a given thing is good for the workers, because we fully agree with the immortal words of Abraham Lincoln . . . "That which harms labor is treason for America."

We will not engage in ideological debate, but will bear in mind that we have successfully united all shades of political opinions as well as representatives of all races and creeds, around a program of economic action for the well-being of all. We will concern ourselves with the issues which bear on that program.

1-S, Macy's Honored for Outstanding Health Support of Greater New York Fund



Local 1-S and Macy's were among 26 organizations awarded "E" for excellence by New York Fund. Receiving awards (L-R) were Dick Pastor (1-S), Helen Hyde (Macy), Bill Atkinson (1-S) and Fred Fischer.

The 7,000 members of Local 1-S who contributed to the joint Local 1-S, Macy 1956 campaign for the Greater New York Fund were honored for the second year in a row with a special "E" Award for their outstanding participation.

On hand to receive the Award for the Union were Vice President Bill Atkinson, representing President Sam Kovenetsky, and Education Director Dick Pastor. Accepting the pennants for Macy's were Vice President Fred C. Fischer, representing Mr. Jack

Straus, and Mrs. Helen Hyde.

The presentation was the Greater New York Fund's acknowledgment of the enthusiasm and generosity with which all those involved in the Local 1-S, Macy's campaign responded to the needs of their neighbors.

While members of Local 1-S derive direct benefits through the Greater New York Fund, such as the camp program and social service counselling, it was clear that most contributions were made as a helping hand to unknown neighbors with bigger problems.

New Drive Coming

With the city-wide 1957 drive for \$11,000,000 already at its half-way mark, it has become evident that the Local 1-S, Macy campaign scheduled for the early Fall, will have its work cut out for it if it is to match the higher contributions being turned in by other groups.

All funds raised in the campaign are used to help support the programs and work of 425 participating health and welfare agencies.

Through the Union's Social Service Counsellor, members of Local 1-S have easy and direct access to any agency, including homes for the aged, nursing homes, child welfare groups and family counselling.

These, and many other services are available, thanks to the Greater New York Fund—and the contributions we make each year.

To all those who helped earn our coveted "E" Award—"Well done!"

Downgrading...

(Continued from page 1)

Figures presented by the Union revealed that an increase of a mere \$500 a week in sales would have put Farley into what Macy's considers a "safe" earning area.

Stating that Macy customers are not expected to get "deluxe" service, company witnesses agreed that "if a salesman takes 20 minutes to ascertain the needs of a customer he is not as effective as one who can do it in five or ten minutes."

Macy's would seem to believe that higher profits will flow to them from higher pressure on both their workers and their customers. It remains to be seen whether either group will stand still while the company tries to milk them.

State AFL and CIO Agree to Merge; CIO Convention Set for August 8-9

The Committees of the State Federation of Labor and the State CIO Council have agreed to merger terms, under mediation by George Meany, president of the AFL-CIO.

The terms of this agreement were announced by President Meany as follows:

Four executive officers, a president and legislative chairman to be designated by the State Federation of Labor, and a secretary-treasurer and chairman of the board, who will also be chairman of the State Committee on Political Education (COPE), to be designated by the State CIO.

Mr. Meany said it was understood that the State AFL would designate its president, Thomas A. Murray, as President of the merged body, and Harold C. Hanover, its secretary-treasurer, as legislative chairman; and that Louis Hollander, State CIO president, would be designated as chairman of the board and Harold J. Garbo, State CIO secretary-treasurer, in that capacity in the merged body.

The agreement also calls for setting up a twenty-nine member

executive body, composed of the four officers, plus ten members from the State CIO and fifteen from the State Federation.

The main office of the merged body will be in Albany, with a branch office established in New York City for the president and chairman of the board, plus their staff.

The agreement also stated that the present staff of both bodies would be retained, but those in New York, as needed—during the legislative session for example—would work out of Albany.

The name of the merged body, according to the agreement, will be "The New York State AFL-CIO."

President Meany announced that the merger terms were agreed to unanimously by both negotiating committees, and that each is to recommend the terms to its executive body.

State Federation held its convention on July 22nd in Buffalo, and the State CIO has its set for August 8 and 9 at the Hotel Commodore, in New York City.

Footing the Bill

Retail sales clerks and other employees in stores in Sydney, Australia, are demanding "occupational disease compensation" along with a claim for higher wages, it is reported.

The Sydney retail workers claim they walk up to 5,000 miles a year in their jobs which gives them varicose veins, fallen arches, "ducks' feet" and poor matrimonial prospects.

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Health Plan Payments...

(Continued from page 1)

in-hospital medical and surgical, or at-home or office surgical..... \$118,215
laboratory tests, including X-rays etc..... \$ 44,141

Total Benefits

During the eight years since Local I-S first won the Health Plan as part of the Union's contract with Macy's, the following benefits were paid to 21,745 claimants:

Hospital.....\$1,785,918
in-hospital medical and surgical, or at-home or office surgical.....\$ 773,415
laboratory tests, including X-rays, etc. (in effect 2½ years).....\$ 98,688

Since the Health Plan became effective on August 1, 1949, a total of 1,647 babies have been born to insured members, and a grand total of 21,745 medical or surgical claims have been paid for.

Individual claims for in-hospital medical and surgical care and diagnostic examinations have

ranged as high as \$400, with the largest number of claims being for laboratory tests such as GI Series, cardiograms and X-rays. Hospital bills have often topped the thousand dollar mark.

Union Made

"The fact that our Health Plan has paid out millions of dollars in benefits is all the proof anyone needs that this is a great benefit to our members and their families," said President Sam Kovenetsky.

"Those who were in the store in 1949 remember that we were nearly forced to strike for our contract, including this Health Plan.

"Since then, as a result of negotiations, we have not only won new Health Plan benefits, but have succeeded in having Macy's assume its full cost.

"Every member—whether he has used the Health Plan or not—can be proud of the security it, and the rest of the contract, represents for himself and his family."

Record High Prices Hit Workers While Macy Profits Keep Zooming

While steady rises in the cost of living were putting workers further behind the financial "eight ball," increased sales and profits were putting Macy stockholders in clover.

The month of May was the ninth month in a row that consumer prices rose to an all-time high.

The *New York Times* reported that, "The upward trend, combined with a downward trend in the number of hours worked a week, led to another small drop in factory workers' purchasing power. Purchasing power has been declining since the end of last year."

Macy's has contributed both to the drop in hours worked and the increase in living costs.

It is worth noting that while the company has claimed that many of their budget cuts have been designed to make up for the wage increase that went into effect on August 1st, their financial report for the thirteen weeks ending May 4th showed a very substantial gain in earnings. It was also estimated that sales for the year ending August 3 would hit an all-time record of just under \$450 million, compared to \$398,200,000 last year.

The report revealed that for the

1957 period net earnings were \$574,000, or 18 cents a common share, as against \$475,000 or 12 cents a share reported in the same period last year.

Sales Up, Staff Down

Sales for the thirteen weeks which ended on May 4th were \$97,971,000, compared with \$87,105,000 for the corresponding quarter a year ago.

For the members of Local I-S these figures come as speedy confirmation of the Union's charge that each additional duty demanded of them represented still greater profit for Macy's and their stockholders. The \$10 million increase in sales also substantiated the Union's statement that the volume of Macy's business did not justify any reduction of staff.

Despite the fact that they have often grumbled about being expected to wrap packages and do extra stock work in addition to their basic job of selling, many workers have felt themselves compelled to assume these duties.

Also, in many cases, workers have gone so far as to perform, voluntarily, such store duties as picking up and returning cash boxes on their own time instead of on Macy's time. This, too, has made it easier for Macy's to pile on extra work, demand its completion, and cut staff.

Outlook Dim

While Secretary of the Treasury George M. Humphrey told the Senate Finance Committee that the fifteen month price rise soon might end, the director of the Bureau of Labor Statistics indicated another record in June and a "nip and tuck" situation in July.

In the meanwhile, the May increase meant that the average worker's pay would buy one-half of one percent less than it did in April.

The *New York City Consumer Price Index* reached a record of 117.2 in May, or 3.7 percent above the level of the same month in 1956. In simple terms, this means a 3.7 percent pay cut which, on the average, is not completely offset by the wage increase which just went into the pay envelopes of Macy workers.



Local I-S President Sam Kovenetsky presents to Andrew Feliccia, of the Parkchester store, the check which closed the Health Plan's eighth year of service to members. Payment was for son's operation.

Steward Conference in September Will Face New and Varied Problems

The annual all-day conference of Local I-S Shop Stewards and Executive Board members will be held on Tuesday, September 17th, at the Hotel New Yorker, President Sam Kovenetsky announced.

In his letter of invitation, President Kovenetsky urged one hun-

dred percent participation in the conference "in light of the many pressing problems we have to deal with."

The all-day gathering is planned to give the officers a chance to brief floor and department leaders on all developments of importance,

and to give the Board members and Stewards an opportunity to report important currents of thinking among the members in their areas.

Stewards are urged to discuss all phases of Union activity with the people of their departments, so that they can speak for the members and not themselves alone, at the conference.

I-S PLANS SATURDAY TEEN-AGE PROGRAM IF RESPONSE IS GOOD

Local I-S is prepared to organize a teen-age Saturday morning program if there is sufficient interest among the members and their youngsters.

The Local I-S program will be based on the response of the youngsters themselves. Experienced supervision and instruction will be available, but the teen-agers will be encouraged to plan and carry out much of their own program.

When President Sam Kovenetsky first proposed such a program, he said, "It is my opinion that our Union has a responsibility to help make constructive recreation facilities available to the children of our members."

"I certainly hope that we get enough response to go ahead with our plans. It is up to you."

Watch the Local I-S NEWS for additional information.

for
LOW COST
VACATION LOANS
and
HIGH INTEREST
ON SAVINGS
Join
LOCAL I-S
CREDIT UNION

BLOOD BANK BALANCE SHEET

Day in and day out, the Local I-S Macy's Blood Bank stands ready to help meet routine or emergency needs.

The Blood Bank itself is made possible by the understanding and cooperation of those who make a pledge and give to it during its annual drive.

Since it was first formed, the Blood Bank has helped save the lives—and the bank accounts—of many, many members who owe their thanks to the willingness of their co-workers to pool their blood so that everyone may be secure.

Those using the Blood Bank during the month of June—the first month after the 1957 drive—were:

Name	For	Pints
Antoinette Cirincione (Self)		1
Jennie DeMaio (Mother)		1
Kathryn McElwee (Husband)		5
Ruth Morrison (Self)		6
Mande Murphy (Self)		2
Claire Weingarten (Self)		6
Total Pints Contributed		921
Red Cross share (%)		307
Our Bank's share (%)		614
Released by Local I-S to date		21
Released by Macy's to date		8
Total released to date		29
Balance in Bank		585

HEALTH PLAN NOTE

If you plan to take a leave of absence (including maternity and military leave) for more than 30 days or if you leave the store and wish to continue your Health Plan coverage on a direct payment basis YOU MUST see the Local I-S Health Plan Consultant at the Union Office.

You are covered by The Health Plan only until the end of the month in which you leave the store, and have another 30 days within which to arrange for your direct payments.

If you, or a member of your family covered by the Health Plan enters the hospital you MUST call on the Union office for claim forms immediately on entering or as soon as possible thereafter.

Protect yourself—protect your family—protect your benefits. Be sure to come to the Union office on time.

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